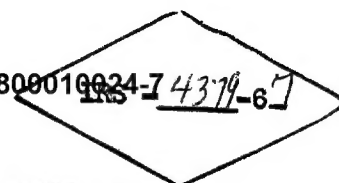


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UNITED STATES INTELLIGENCE BOARD

MEMORANDUM FOR THE UNITED STATES INTELLIGENCE BOARD

SUBJECT : Draft Minutes of the 21 September Intelligence Board Meeting

The attached draft minutes of the 21 September Intelligence Board meeting will be considered at the next regular Board meeting.

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Executive Secretary

Attachment

NSA, DIA, DOS, JCS and NAVY review(s) completed.

GROUP 1
Excluded from automatic
downgrading and
declassification

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UNITED STATES INTELLIGENCE BOARD

Minutes of
Four-hundred-eighty-sixth Meeting
United States Intelligence Board
USIB Conference Room
Central Intelligence Agency, at 1030 hours, 21 September 1967

Director of Central Intelligence
Richard Helms
Presiding

MEMBERS PRESENT

Vice Admiral Rufus L. Taylor, Deputy Director of Central Intelligence
Mr. George C. Denney, Jr., Acting Director of Intelligence and Research,
Department of State
Vice Admiral Vernon L. Lowrance, acting for Director, Defense Intelligence
Agency
Lieutenant General Marshall S. Carter, Director, National Security Agency
Dr. Charles H. Reichardt, acting for Atomic Energy Commission
representative to USIB
Mr. William C. Sullivan, acting for Federal Bureau of Investigation
representative to USIB

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1. Approval of Minutes
14 September Meeting
(USIB-M-485)

Approved as circulated.

2. Watch Report No. 891

Approved as circulated.

3. Review of Courier and Pouching
Procedures for Sensitive
Intelligence Information
(USIB-S-13. 5/40, 12 September)

25X1A This joint SIGINT/Security Committee report was introduced by [] who observed that although many problems have been overcome, there is still much to be done before we can be satisfied that we have the best possible courier system. He said one significant factor which requires closer scrutiny by all concerned at this time is whether we need to send the enormous amount of sensitive data and material now being transmitted via the Armed Forces Courier Service (ARFCOS).

Mr. Osborn added that, while the report recommends a USIB position, there is a great deal to be done by individual departments and agencies in strengthening their review of material to be transmitted by ARFCOS especially to prevent the unwarranted introduction of unclassified material into the system. Mr. Osborn also suggested that those responsible review carefully the qualifications of personnel being assigned to duty with ARFCOS.

With reference to the recommendation in paragraph 6. a. (2), Admiral Taylor suggested that the Board should recommend first-class accommodations for couriers without exception, in view of the important security considerations and relatively small amount of money involved. He also suggested that, since the provisions of DCID1/14 are considered too stringent by many for our own needs and therefore are being reviewed by the Security Committee, it would appear desirable to reword paragraph 6. a. (3) to refer generally to the applicable personnel security criteria.

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Following a discussion of the lack of incentive in today's courier system, the Chairman voiced his concern that the ARFCOS problem has not been given enough attention at the higher echelons. Mr. Helms pointed out that we spend millions of dollars to collect intelligence and to provide first-class secure communications systems and at the same time permit a situation where, without restraint or adequate review, anyone can make a decision to transmit sensitive information by courier. Mr. Helms said that as a result of this report he intends to send a letter to the Chairman of the Joint Chiefs of Staff, noting that he shares their concern in this matter and requesting that the system be tightened up and additional attention be focused on personnel assignments with a view toward raising the overall calibre of ARFCOS. The Chairman asked the support of all USIB Principals in instituting such improvements in the system.

Admiral Taylor suggested that the intelligence community might consider the possibility of assigning career intelligence officers to one-year tours with ARFCOS. The FBI Member commented that the psychological impact of such assignments might well enhance the professional status of ARFCOS.

General Carter commented that Admiral Taylor's proposal goes to the heart of the problem. He questioned whether, in view of the success of the State Department courier service, it wouldn't be possible for the intelligence community to operate a courier system under the DCI, using professional intelligence personnel.

The Chairman said this idea should be re-examined, noting that this possibility had been discussed and rejected three or four years ago primarily for budgetary reasons. After some additional discussion of the volume of electrical messages transmitted by the intelligence community as well as the concurrent tonnage carried by ARFCOS, the Chairman asked all Board Principals to take another look at this problem and to tighten up our controls wherever possible on distribution of sensitive intelligence data.

Based on the discussion, USIB took the following actions on the joint report contained in USIB-S-13.5/40:

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a. Approved the recommendations in paragraph 6, subject to the following revision of paragraphs 6. a (2) and (3) as proposed by the CIA Member:

"(2) The need for first-class accommodations for ARFCOS couriers at all times. "

"(3) The applicability of the uniform personnel security criteria for access to compartmented intelligence which will be effective 1 July 1968, as the minimum mandatory standards for background investigation, reinvestigation and the granting of security clearances for ARFCOS personnel. Additionally, that a high priority be given to requests for investigations and reinvestigations of ARFCOS personnel. "

b. Noted that the DCI would dispatch a letter to the Chairman, Joint Chiefs of Staff, along the general lines expressed in this meeting.

c. Agreed that USIB would continue to review and support the development of an adequate courier service, including a re-examination of the desirability and feasibility of establishing an intelligence community courier system under the cognizance of the DCI.

4. Release of Intelligence
to the Center for Naval
Analyses
(USIB-D-39.5/23, 21 August;
USIB-D-39.5/22, 20 July)

Admiral Fluckey, at the Chairman's request, opened Board discussion of this item with a brief explanation of the organization and operation of the Center for Naval Analyses (CNA). He explained that about 30 Naval officers and 70 civilian contractor employees of the Center had been receiving intelligence through another operating section of the Navy which he found had not been complying with pertinent instructions in making this material available to CNA. For this reason he had made the request in USIB-D-39.5/22. Admiral Fluckey said he was satisfied with the CODIB recommendations in USIB-D-39.5/23, but would be willing to go along with the DIA position that existing controls on the release of

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reports marked CONTROLLED DISSEM should be retained rather than approving CODIB recommendation 9.b.

Admiral Taylor said that CIA also reserved on this recommendation. He felt the whole idea of CONTROLLED DISSEM would be vitiated to some extent unless the proposed release to CNA of each intelligence report so marked had to be referred to the originating agency for approval or disapproval. Admiral Taylor said that, except for 9.b., he would accept the other CODIB recommendations.

Mr. Denney pointed out that many of State's intelligence studies incorporated information based on reports bearing CONTROLLED DISSEM marking and INR would be inclined to release many of these studies to CNA. Therefore, Admiral Taylor's proposal would create a problem for INR if they had to obtain permission from the originator of the CONTROLLED DISSEM material.

Admiral Fluckey pointed out that the number of studies or reports marked CONTROLLED DISSEM that would be requested from any agency would not be great.

Mr. Helms pointed out that the real problem involved was the protection of individual intelligence sources. He said that, if the analysts in putting together material from a lot of different sources followed the proper procedures for disguising the sources of CONTROLLED DISSEM reports, he would not have too much concern. He therefore believed that existing instructions* on the use of CONTROLLED DISSEM information in reports and studies should continue to apply as they have in the past, and the rule of reason should be employed in handling requests for release of reports so marked to contractors. Accordingly the Board agreed that it would not approve CODIB recommendation 9.b.

When Admiral Fluckey then raised the question of the National Intelligence Projections for Planning (NIPPs) referred to in CODIB recommendation 9.d., Mr. Kent noted that their distribution was very limited and that he had no wish

*See paragraphs 4.a. (2) and 6.a. (2) of DCID No. 1/7.

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to see it expanded. He said that he was not in favor of releasing these papers to contractors, since he was even concerned that they might be misused by intelligence personnel within the community. Mr. Kent noted the need for complete understanding of the highly speculative nature of the many figures contained in the NIPPs, and the danger that their misuse could introduce substantial error into national planning.

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[] explained that CODIB had not recommended that the NIPPs be released, but that the policy applicable to the release of NIE content without attribution be extended to include the NIPPs. Mr. Kent felt that the NIPPs were more sensitive than NIEs, because the NIPPs contain pages of statistics which hold the potential of being off by considerable magnitude and must be used with full understanding of their purpose and limitations.

Admiral Taylor pointed out that if the information contained in the NIPPs were released to the CNA it would be over Admiral Fluckey's signature and not identified as coming from the NIPPs or the USIB. In addition it would be Navy's responsibility to insure that the user received the caveats and explanation necessary to permit proper use of the material provided.

Mr. Denney questioned the rationale behind the USIB policy authorizing release of NIE content as long as it is not so identified. Admiral Taylor said that one objective was to prevent the information being leaked as an intelligence community estimate, while still making it available for use where needed. He pointed out that one big problem in the Department of Defense was the need to use intelligence which would present a convincing case to the Office of the Secretary of Defense who always asks whether it is agreed national intelligence.

Mr. Denney said that, while he recognized that the CNA had special relationship with Navy and good security, this decision may be a precedent for a number of other contractors. He therefore would like to see a general review of the principles and criteria governing release to contractors. He suggested that the Board establish the requirements for contractor relationship with a department or agency to meet security standards and intelligence release procedures. Mr. Denney said that he felt many factors were involved such as the extent of use of a contractor by an agency or what other business the contractor was in. He proposed that this paper be returned to CODIB. He would like to see CODIB establish criteria for all contractors which would then permit easier handling of intelligence release requests.

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[] recommended against CODIB reconsideration. He pointed out that present USIB policy had been designed to cover all contractors, and provides ample guidance and criteria to enable CODIB to deal with cases requiring special consideration on an individual basis.

Mr. Helms agreed that each of these cases should be taken up individually. He was not concerned about precedents since there were no rights or prerogatives in this field. He further observed that we tend to restrict ourselves when criteria are established, and even well-thought-out criteria established today may not meet future requirements and may restrict our freedom of action or even prevent us from meeting our objectives in the future. He therefore would rather leave this matter somewhat loose, and bring each special problem to the Board table.

The Chairman then proposed and the members concurred in the following USIB actions with respect to the attachment to USIB-D-39.5/23*:

- a. Approved the recommendations in paragraphs 9.a., c., and d. **
- b. Disapproved the recommendation in paragraph 9.b. with the understanding that the provisions of DCID No. 1/7 would continue to be applicable in handling CONTROLLED DISSEM material.

5. North Korean Intentions
and Capabilities with
Respect to South Korea
(SNIE 14.2-67)

Board consideration of this subject centered on changes proposed by CIA, DIA, NSA and Army.

Following the discussion the Board approved SNIE 14.2-67 as amended

*A Memorandum for Holders of USIB-D-39.5/23 will be circulated to provide a record of the above USIB actions.

**A Memorandum for Holders of USIB-D-39.5/19 will also be circulated, attaching a revised version of "USIB Policy on Release of Intelligence to Contractors" incorporating all revisions of that document to date including the above Board action on paragraph 9.d.

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subject to the inclusion of Army footnotes to the last sentence of paragraph 8 and to the first sentence of paragraph 16.

No member raised objection to the release of this estimate to USIA.

6. Senior Interdepartmental
Group Request Regarding
Soviet Capabilities with
Respect to the Middle East

The acting State member informed the Board that the Senior Interdepartmental Group (SIG) had incorporated the following request to the intelligence community in the minutes of its most recent meeting:

"We ought to have a better study of Soviet capabilities (political, military and economic) by the intelligence community--including the amount of resources the Soviet Union might be likely to devote to the area. This should be compared with the on-going costs in external resources needed by such major countries in the area as the UAR and Algeria. (This should be done by October 1.)"

The Chairman observed that he had already had a communication from Mr. Hartman, a Special Assistant to Under Secretary Katzenbach, suggesting that the community have another look at NIE 11-6-67, dated 1 June 1967, "Soviet Strategy and Intentions in the Mediterranean Basin", in the light of the SIG discussion and the findings of the Holmes' Report and then perhaps issue a revised and expanded version of the estimate in the form of a Memorandum for Holders.

Mr. Kent suggested that he be authorized by the USIB to examine both the SIG minute and Mr. Hartman's note and make recommendations to USIB as to how the matter should be treated. He called the Board's attention to the forthcoming NIE 11-7-67, "Soviet Foreign Policy" as perhaps being a more appropriate vehicle for modifying NIE 11-6-67 than a special Memorandum for Holders. He thought another possibility might be a SNIE on this subject.

Following this discussion the Board concurred in Mr. Kent's suggestion that he review this subject and submit his recommendations regarding this

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matter to the Board members for telephonic concurrence within the next few days.

7. Executive Session

(A summary of Board discussion in the executive session which began at 1125 is carried in USIB-D-46.5/1, limited distribution through restricted channels.)

Adjournment: 1130

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Executive Secretary

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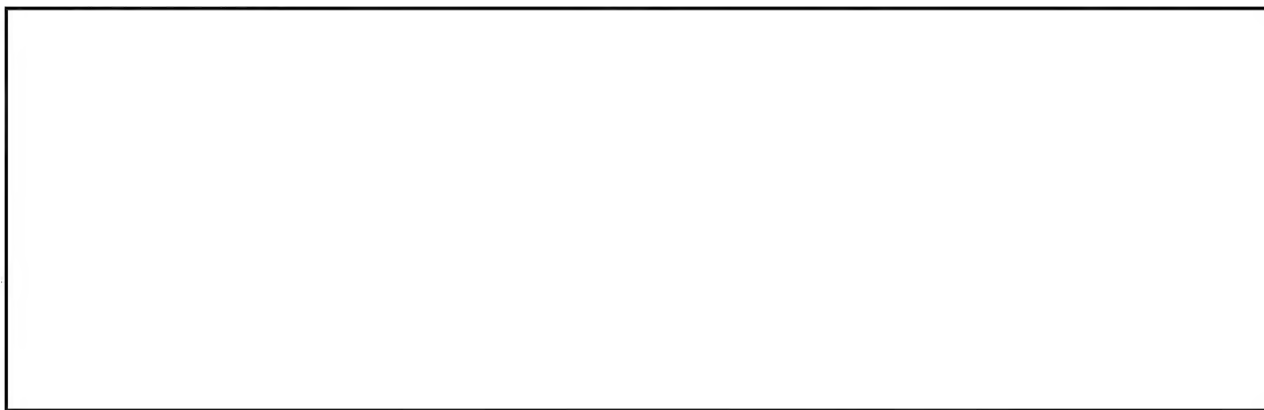
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SECRETARY'S NOTES

1. Committee on Documentation
Report on Intelligence Data
Handling Research and
Development
(a. USIB-D-39.7/23, 16 August;
b. Memorandum for Holders of
USIB-D-39.7/23, 1 September)

On 21 September all USIB members had concurred in the CIA member's alternate proposal that, instead of the actions recommended by CODIB in reference a., USIB "refer the CODIB report to the new USIB committee on information handling when established for its use and further consideration". The office of the Chairman, CODIB has been so informed.

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3. Reports Noted by USIB

- a. USIB-D-46.9/2 (COMIREX-
D-72/44), 31 August 1967



- b. USIB-D-46.8/13 (COMIREX-
D-25.17/112), 12 September 1967



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- c. Memorandum for Holders
of USIB-S-13.5/35,
8 September 1967
(Ref.: USIB-S-13.5/35,
21 September 1966;
limited distribution through
special channels)

In the absence of a request by a member, the subject reports will not be discussed at a meeting and have been recorded as having been noted by the Board on the following dates: (a) 15 September; (b) and (c) 18 September.

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